

**CHAPTER III
REGIONAL AND LOCAL COMMUNITY CHARACTER**

Introduction

The Governor and Legislature of the State of New Jersey have recognized that the Highlands Region is a unique part of the State of New Jersey where several distinct geographic elements are bound together by hydrology, topography, geography, and history. The Highlands Region is comprised of several different landscape types, each with its own intrinsic value. The value and sustainability of the Region as a whole must be represented by interdependence, or a shared set of principles, between and within all landscape types.

The Region, encompassing 88 municipalities in the seven Highlands Counties of Bergen, Hunterdon, Morris, Passaic, Somerset, Sussex, and Warren, is a vital source of drinking water for almost 60% of the population of the entire state. The Region is distinct in many other ways, including:

- Although the Region was first settled more than 200 years ago, 75% of the land in the Region is still undeveloped;
- Approximately 32% of the undeveloped land in the Region is protected open space;
- Upland forests occupy 47% of the Region;
- The Region has approximately 821,000 residents, most along the eastern and southern edges;
- 57 % of all developed land is low density residential land use;
- Median household income 34% higher than New Jersey as a whole;
- Despite proximity to the New York metropolitan area, the Region and its constituent communities are largely self-sufficient and free-standing;
- Although residential densities are typical of suburban development, the community character of the residential portions of the Region consist of individual small towns and villages surrounded by agricultural and forest lands interspersed with low density residential development;

**DRAFT – FOR CONSIDERATION AT THE SEPTEMBER 20, 2007
MEETING OF THE HIGHLANDS COUNCIL**

- Woodlands, forested ridges, steep slopes, water features, and agricultural fields have historically maintained the separate identities of individual communities and their sense of place;
- The historical, localized development patterns and practices of the Region have created an attractive, diverse residential landscape which is defined in large part by forested lands and mature trees;
- The Region's topography begets winding roads with shortened sight distances where forested lands and mature trees or open agricultural fields are the predominant element of the landscape as it is viewed from public roads; and
- The historical development pattern and diversity of housing designs and materials has given the Region a residential landscape which has an organic and diverse quality as compared to the repetitive nature of subdivision development.

Physical Geography and Landscape

The northern portion of the Highlands Region is characterized by steep slopes, narrow valleys, and rocky terrain while the southern portion is characterized by valleys that are generally wider with richer soils suited for agriculture. The predominate landscape in the Region is forest and more than 62% of the Region is considered to be critical wildlife habitat for (1) federally listed threatened or endangered species; (2) state threatened and endangered species; and (3) state species of special concern.

Most of the land in the northern third of the Highlands Region is within the Highlands physiographic province, with a small area to the northwest in the Valley and Ridge province, characterized by a series of valleys and ridges aligned generally along a northeast to southwest axis. Historic settlement patterns reflect this orientation as development followed valleys and water courses. Topography and geology served as a natural limiting factor with regard to land use and transportation in most of the northern part of the Region, contributing to what is a sparsely settled landscape. The Highlands Region here is heavily forested and is an important source water area for the Region and portions of urbanized New Jersey outside

**DRAFT – FOR CONSIDERATION AT THE SEPTEMBER 20, 2007
MEETING OF THE HIGHLANDS COUNCIL**

of the Region. A significant portion of the Highlands Region in this area is located within the Preservation Area designated by the Highlands Act.

The middle third of the Highlands Region is a primarily man-made landscape. While dominated by suburban densities, the area has created and maintained much more local character than is typical in many other suburbs. This lack of “scatterization” is due to historical mobility constraints related to this portion of the Region’s geography (e.g., ridgelines and valley floors), and to the central role of traditional town centers in defining the area’s identities as traditional communities of place. This area generally follows the path of Route 46 thru Morris County, along the Rockaway River.

The southern third of the Highlands Region is glaciated plain and terminal moraine characterized by soils and topography which are more supportive of agriculture. Historic settlement patterns in this area were typical of an agricultural landscape, which at one time was the predominate landscape in much of the State. This portion of the Highlands Region is defined by a landscape mosaic of agricultural lands and forests.

As a whole, the Highlands Region is characterized by a number of landscapes:

- Intact forests and associated natural systems;
- Sparsely settled, very low density forested areas;
- Traditional agricultural/rural landscapes;
- Low density residential development organized along winding roads and around historic villages and towns;
- Lake communities; and
- Residential subdivisions and strip commercial not representative of unique characteristics of the Region.

Shared Values

The developed portions of the Highlands Region exhibit shared values despite being represented by a variety of landscapes such as the large forests bifurcated by State Route 23; the historic mill towns of Morris County surrounded by winding tree-lined roads where single family homes are set back far from the

**DRAFT – FOR CONSIDERATION AT THE SEPTEMBER 20, 2007
MEETING OF THE HIGHLANDS COUNCIL**

road on large, mostly forested lots; the lake communities around both large recreational lakes and smaller, private lakes; the rolling hills around the rural agricultural landscape of Long Valley; the business highway development along Highway 31 between Clinton and Washington; and by everything in between.

Despite differences between these landscapes, each share and contribute to a series of regionally and locally significant values. The Region's developed landscapes are considerably independent and free-standing as opposed to typical suburban landscapes which are socially, culturally, and economically dependent on a core urban center. The Highlands Region undoubtedly benefits from proximity to the New York metropolitan area; close enough to gain from one of the world's most dynamic urban economies, but not so close as to be defined by suburbs dependent upon that area. The Highlands Region is separated from New York City both by distance and topography. The relative isolation of Highlands Region landscapes and associated communities is beneficial because of their interdependency on one another for employment, shopping, health care, recreation, and entertainment. Consequently, the function and character of historical settlements are vital and continue to be central to the character of the Region.

Highlands Region communities share a value with regard to protecting water resources. Water has long been recognized as a defining attribute of the Region, a resource which does not follow political jurisdictions. The importance of water to the Highlands Region is significant in several different ways. The Region provides the primary source of potable water for the majority of the urbanized population in northern New Jersey. Surface water and ground water significantly contribute to the functional integrity of the Region's forests, ponds, streams, lakes and wetlands which constitute a majority of the Region's critical wildlife habitat. Water guided the early settlement of the Highlands Region through the formation of mill towns, mining areas, and early agricultural areas, all of which were dependent on abundant sources of water. This settlement pattern; continues to serve as the foundation of Highlands Region landscape types. Historic mining, quarrying, and manufacturing have influenced settlement patterns and represent potential water quality issues to existing and future populations. Lakes played a key role in the development of lakeside communities in the Highlands, representing an important residential and recreational resource for the greater

**DRAFT – FOR CONSIDERATION AT THE SEPTEMBER 20, 2007
MEETING OF THE HIGHLANDS COUNCIL**

northern New Jersey region.

The water resources of the Highlands Region are important not only as a potable water supply source, but as a defining element of ecosystem form and function within the Highlands. They include extensive reservoirs with the capacity to provide more than 600 million gallons per day of drinking water, large rivers and lakes, streams that support trout production and supply local recreation opportunities, forested headwater streams and springs, and ephemeral waterbodies that are critical to the survival of a variety of the Region's wildlife.

The vast majority of Highlands Region reservoir capacity is exported to urban and suburban areas of northern and central New Jersey. The water needs of the Highlands Region itself are primarily served by well withdrawals of ground water from local aquifers, and by smaller surface water bodies. Maintaining the integrity of water resources of the Highlands Region provides for the protection and sustainability of surface waters supplying reservoir systems, ground water supplying potable uses, and ecosystems dependent upon both surface water and ground water for essential functions.

The Highlands Region communities share this value by participating as stewards of the quality and quantity of this significant water source. Historically, this responsibility was a natural byproduct of the form and function of settlement in the Region. The character, location, and intensity of historical development patterns with the Region were such that water quality and quantity were naturally sustainable. Moreover, the significance of the Region's water resources played an important role in the conservation of considerable open space over the past several decades. More than 50,000 acres of land have been explicitly preserved by the State, Highlands Region counties and municipalities, and other governmental and nongovernmental entities to protect the principal source of water supply in northern New Jersey. Water supply was also one factor leading to the preservation of more than 100,000 acres of forested lands.

The communities of the Highlands Region share a value of preserved open space and the views and opportunities afforded by these preserved areas. Many communities share open space views in areas where less than 25% of the land is developed. A ratio of undeveloped land to developed land of 3 to 1 is a

**DRAFT – FOR CONSIDERATION AT THE SEPTEMBER 20, 2007
MEETING OF THE HIGHLANDS COUNCIL**

particularly distinguishing regional characteristic given the location of the Highlands Region in northern New Jersey, one of the most densely populated parts of the most densely populated state in the nation. The relationship created by shared views of open space between developed lands and undeveloped lands links the communities of the Region together because that shared, visible open space aids in the defining character of a community. Conversely, there are examples where principal access to one town passes through an adjacent town in which highway commercial development extends outward from the traditional town center, thereby altering community character and economic viability in both towns.

Yet another shared value of the Highlands Region is a settlement pattern which is organized around small towns and villages, most of which are historic or traditional communities of place. This basic settlement pattern exists throughout the Region, from the forested north, to the exurban middle, to the agricultural south. The rural landscape which surrounds the towns and villages may vary in terms of character (agricultural versus residential or forest), but the functional relationship of the rural landscape to the towns and villages is the same.

One aspect of this functional relationship between a rural landscape and its communities is that individual towns and villages are distinguished by their rural nature. Preserved forests, forested ridges, and agricultural fields have often isolated adjacent towns and villages thus preventing traditional suburban growth patterns. At the same time, this functional relationship fosters social, cultural, and economic symbiosis between the towns and villages and surrounding typically-low density residential landscapes, such that the notion of “going to town” has been sustained in much of the Highlands. Moreover, the relatively low gross intensity of land use in the Region’s town and country landscapes results in a market for goods and services that generally is insufficient to support the market requirements of numerous retail big boxes and franchise businesses, which in turn sustains the economic vitality of many locally-owned businesses in the historic and traditional towns in the Region.

Of the 859,358 acres of land in the Highlands Region, 25% are developed and 32% are protected through open space preservation. The remaining lands are forested (63%), submerged and barren (15%),

**DRAFT – FOR CONSIDERATION AT THE SEPTEMBER 20, 2007
MEETING OF THE HIGHLANDS COUNCIL**

and agricultural (13%). A majority of the developed lands in the Region , 57%, is zoned for low intensity, single family residential areas with a density range of 1 dwelling unit per 2 to 20 acres.

Of the approximate 821,000 people who live in the Region, approximately 450,000 live in Bergen and Morris Counties where the population per gross acre of land is 1.7 persons per acre and 1.4 persons per acre, respectively. Population per developed acre of land in the same counties is 4.78 persons per acre and 4.28 persons acre, respectively. Much the opposite Hunterdon and Warren Counties have a population per gross acre of 0.48 persons per acre and 0.58 persons per acre, respectively, with a population per developed acre of land of 2.12 persons per acre and 3.44 per acre. Passaic, Somerset and Sussex Counties range from 0.74 persons to 0.97 persons per gross land area, and 2.86 persons and 5.37 persons per developed acre of land.

Water and the Highlands Region

The Highlands Region is a focus of regional planning and special land use controls in large part due to water for the public use and for Highlands Region ecosystems. The Region's water resources are valued for water supply, ecosystem viability, and recreational and aesthetic uses. Additionally, Highlands Region lakes offer recreation opportunities, and are the features of many distinct communities. Highlands Region waterbodies also support the Region's forests, wetlands, lakes and streams by serving a critical role in supporting sustainable ecological resources. Northern New Jersey would have an immensely different character without Highlands Region water resources and the landscapes they support. Degradation or excessive use of these water resources would significantly undermine New Jersey's economic health and quality of life.

Water resources are generally categorized as surface water and ground water. Both surface water and ground water can be supplied by rainfall, and water may be exchanged between surface water and ground water systems. The use of ground water can reduce surface water flows, and the contamination of ground water can harm surface water quality (and vice versa).

Surface water in the form of streams, rivers, ponds, lakes, and reservoirs, is the more obvious

**DRAFT – FOR CONSIDERATION AT THE SEPTEMBER 20, 2007
MEETING OF THE HIGHLANDS COUNCIL**

resource and an important part of the Highlands Region landscape. Ground water is water below the earth surface, filling the pore spaces, cracks and fissures in soil and rock. An underground layer of permeable rock or unconsolidated materials where ground water is sufficient to provide water to wells it is known as an aquifer. Aquifers differ in value; some are very prolific, but the hard rocks that create the Region's ridges are very poor aquifers. While ground water is often unseen it is the primary water supply to Highlands Region municipalities and provides the large majority of flows in the Region's streams

Forested areas and stream-side riparian areas function to protect surface water and ground water quantity through collection and infiltration of rainwater, and protection of water quality through filtration of excess nutrients, solids, and pollutants and stormwater abatement. Therefore, protection of forests and riparian areas lends to the protection of both quantity and quality of the Region's water resources.

By law, New Jersey's water resources are held in trust for the public, and allocated by the State for public and private use. One reason the Highlands Region is so important to New Jersey's economy is the presence of many large reservoirs in the Passaic River and Raritan River basins, built from the late 1800's to the late 1900's to supply the urban areas of northeastern and east-central New Jersey. These reservoirs, built by Newark, Jersey City, the North Jersey District Water Supply Commission, and the State of New Jersey, store high stream flows against time of drought. In total, they provide some or all of the water needed by roughly 5 million people. In addition, a few Highlands communities have their own small reservoirs. Each reservoir system has a "safe yield," which is the amount of water it can supply during a repeat of the 1960's drought, defined as the worst drought on record. The safe yield is protected by the State through control of other large water uses. Resurgent development in urban communities will place heavy stresses on these reservoir supplies. Although most reservoir water from the major reservoirs is exported, limited supplies have been contracted to a few communities in the eastern Highlands.

Surface waters also contribute to New Jersey's economy as focal points for boating, fishing, swimming, and other recreation activities in lake communities. Most Highlands Region lakes are man-made and many of the earliest residential communities were established on the shores of these lakes. Surface water

**DRAFT – FOR CONSIDERATION AT THE SEPTEMBER 20, 2007
MEETING OF THE HIGHLANDS COUNCIL**

from streams (rather than reservoirs) is used within the Region, most often for farm and golf course irrigation and for manufacturing (often in historic river towns) rather than public supply.

Ground water is used by local communities throughout the Highlands Region as their primary drinking water supply. Nearly all of the Highlands Region population relies on ground water. In most cases wells are located near users, but in some cases water is piped miles from one part of the Region to another. Wells range in size from domestic wells for individual households to large community wells that can supply thousands of people.

Every water use has an effect on the region's water resources. For example, ground water supplies in many parts of the Region are already stressed or beyond capacity. Water is moved from place to place, lost to the atmosphere from evaporation or plant use, or picks up pollutants from human and natural sources. As with every region, but more intensely in the Highlands Region due to the many competing uses, the protection and careful use of water resources is critical to a sustainable society in New Jersey.

The Elements of Place

The essential character of the Highlands Region is not easily reduced to an overall description. Demographic statistics explain the Region's overall vibrant economy and relative affluence, but they do not reveal the diversity of individual community character or the overall character of the Region. The extent of forested lands in the Region is truly remarkable in terms of the context of the densely developed tri-state region surrounding the Highlands Region. The amount and distribution of forested lands within the Region is illustrated by the fact that despite more than 200 years of human activity, more than 62 % of the entire Region is described as critical wildlife habitat by New Jersey Department of Environmental Protection (NJDEP).

In the simplest of terms, the Highlands Region is special because it is a unique composite of landscapes, natural resources, and communities not found elsewhere in the nation. And while the individual landscape types are familiar in other parts of the nation, the cumulative character of Highlands Region landscapes and their integrity is remarkably unique. To a great degree, the unique character of the Region is

a product of its geography – the key element being mobility. Although the eastern reaches of the Region are relatively accessible to and from New York City, the largest and most economically vibrant city in the United States, mobility to and through much of the Highlands Region is constrained by its topography (ridgelines and valley floors). These constraints have played a key role with regard to the character and pace of development within the Highlands Region.

Resource Assessment and Regional Land Use Capability

Notwithstanding the relative integrity of the Highlands landscapes, recent trends indicate that growth pressures are overcoming the traditional forces and factors which have historically shaped the Region and its unique character. For example water use in many of the HUC 14 subwatersheds in the Highlands Region is already beyond sustainable levels.

The Highlands Act requires that the Regional Master Plan include a resource assessment to provide a determination of the “amount and type of human development and activity” which can be accommodated without compromising the essential character and function of the Highlands Region. The resource assessment serves to identify a balance between the Region’s environmentally sensitive areas and Region’s capacity for appropriate development and human activity. In addition, the Act requires that the Regional Master Plan identify scenic, aesthetic, cultural, historic, open space, farmland and outdoor recreational resources and provide for their maintenance and enhancement.

A basic principle of ecology is that the capacity of an environment to support a population of plants or wildlife is governed by limiting factors. The development capacity of the Highlands Region is likewise governed by limiting factors, some of which relate to the natural environment, *e.g.* steep slopes and water quantity and quality. However, the carrying capacity of the Highlands Region is also defined by public policies enshrined in the laws and Constitution of the State of New Jersey and the Constitution of the United States.

Another factor which affects the development capacity of the Highlands Region is the community character which is highly valued by many residents of the area as underlying the quality of life of the Region.

For example, even if the existing undeveloped lands in the Planning Area could be developed at a higher density without adversely affecting water quality and quantity and without destroying critical habitat, development at a denser rate would assuredly radically change and potentially deteriorate the community character of the Region and its constituent communities of place. Some of the adverse impacts of further suburban development can be mitigated through site development standards, *e.g.* cluster requirements and rural design requirements. However, at some point the character and pace of suburban development, if left unchecked, will erode the character of existing communities of place, and traffic will overwhelm local road system capacity.

A central element of the required resource assessment is an understanding of the definition of the essential character and function of the Highlands Region. According to the terms of the Act, this includes:

- The quantity and quality of water resources in the Region including the potable water needs of more than 4 million people who do not live within the Region;
- Large areas of contiguous forest lands;
- Critical habitat;
- Agriculture and historic resources; and
- Natural, scenic, and other resources of the Highlands Region.

Implicit in the Act are the distinctive community characters of the towns and counties in the Region because of their importance to the residents of the Region and their centrality to the resource values of the Region as a whole.

Another factor which affects the amount of development which can be supported is transportation. Mobility is vital to the success of any community and in the Highlands, like most of the United States, the private automobile is the primary source of transportation. Any assessment of the development capacity of the Highlands Region must consider the dynamic nature of traffic and road capacity. Although engineers like to speak in terms of levels of service (A to F), the reality is that the quality of life aspects of transportation involve more than quantitative analyses of road capacity at some prescribed level of service and the average

**DRAFT – FOR CONSIDERATION AT THE SEPTEMBER 20, 2007
MEETING OF THE HIGHLANDS COUNCIL**

number of trips generated by a unit of development. For example, intact historic towns and villages routinely fail to meet the engineer's level of service standards, particularly during peak hours. Nevertheless in such situations, the value of community character outweighs the inconvenience of delay, particularly when the view from the car is a traditional town where the people on the sidewalks and in the stores are friends and neighbors. Studies from around the country show that in the main, Americans select the character of a route over the speed and convenience of a route. In addition, trip-making behavior is not the fixed statistic of the traffic engineer. Where the trip to town is slow because of capacity constraints, residents make good use of a single trip instead of making multiple trips to town. Indeed, capacity constraints encourage multiple purpose trips where a shopper walks to several different shops from a single parking space, a circumstance which supports traditional town character and values. It is essential that provision be made for the movement of emergency vehicles during peak hours of congestion, but there are usually ways to assure access without subordinating community character to the private automobile. That does not mean that traffic congestion is not problematic, but rather to say that the transportation calculus involves more than trip generation rates and highway capacity.

The amount and type of development which can be supported varies according to location and community character. For example, the Act limits the capacity of undeveloped lands in the Preservation Area to existing uses, vested development rights, and agriculture. Similarly, capacity for additional development in previously developed portions of the Preservation Area is limited to areas where at least 70% of the land area is covered with impervious surfaces, and also limited by the pull back of sewer service areas to areas with utility pipes in the ground. Finally, additional development in the Highlands Region is limited by the reality that there is little vacant land that would meet the requirements of the Act to have at least 70% coverage with impervious surfaces as available for infill development. Consequently, future redevelopment potential is primarily in the form of redevelopment constrained by local community character values, availability of potable water capacity, environmentally sensitive areas, and capacity of roads or transit to support additional trips or riders.

**DRAFT – FOR CONSIDERATION AT THE SEPTEMBER 20, 2007
MEETING OF THE HIGHLANDS COUNCIL**

The amount of vested development rights in undeveloped lands in the Preservation Area is considerable in the context of historical growth rates. Data from land use modeling software indicates that there are over 22,000 parcels of land which are subject to an exemption for a single family dwelling on vacant land. While some of those parcels are land locked, located on steep slopes, or otherwise constrained so that as a matter of practical economics they are unlikely to be developed, the land supply constraints resulting from the implementation of the Highlands Act will foster the development of vested parcels over time.

The amount of development which could be accommodated within areas previously developed in the Preservation Area will vary according to the community character of municipalities and counties. The character and resource value of intact historic towns and villages are sensitive to infill and redevelopment and are likely to limit the amount of additional development. Several communities, that have initiated local revitalization efforts, such as Phillipsburg, Dover, Morristown, Boonton, Washington Borough, Stanhope, and Netcong Borough, offer potential opportunity for redevelopment, provided that water, sewer, and transportation capacity is available.

**Highlands By Design:
*A Vision of the Future***

The Highlands Regional Master Plan contemplates a future regional and community character that is a measured extension of the existing condition where the functional values of the land and water resources of the Region are maintained, and wherever possible, restored and enhanced; and regional and community character are also maintained and enhanced. The Highlands Regional Master Plan provides for a planned future of the Highlands Region which is governed by five fundamental principles:

1. Protection of the resources of the natural and built environment, including land and water resources;
2. Restoration and enhancement of those aspects of the natural and built environment which have been compromised by prior use and development;

**DRAFT – FOR CONSIDERATION AT THE SEPTEMBER 20, 2007
MEETING OF THE HIGHLANDS COUNCIL**

3. Maintenance and enhancement of the fiscal and economic viability of the Region and its constituent communities;
4. Equitable distribution of the benefits and burdens of the implementing the Highlands Regional Master Plan among all affected interests; and
5. Ensure that new growth and development is organic to its environment, harmonious with historical settlement patterns, compatible with the history, and character of the regional communities of place.

These principles are applicable to both the Preservation Area and the Planning Area, however, the treatment of these two areas in the Highlands Act dictates differing approaches to implementation of the programs of the Highlands Regional Master Plan.

Section 10 of the Highlands Act outlines the goals of the Highlands Regional Master Plan with respect to the entire region, illustrated by Region-wide goals for both the Preservation Area and Planning Area (Table 1). More protective goals that promote preservation of Region's unique resources are outlined specific to the Preservation Area, while goals that promote a balance of environmental protection and sound land use planning are outlined specific to the Planning Area.

**DRAFT – FOR CONSIDERATION AT THE SEPTEMBER 20, 2007
MEETING OF THE HIGHLANDS COUNCIL**

Table 1. Highlands Act mandated goals for the Preservation Area and Planning Area (Table 1).

Region-wide Goals for Preservation Area and Planning Area	
<p>Protect, restore, and enhance the quality and quantity of surface and ground waters</p> <p>Preserve farmland and historic sites and other historic resources</p> <p>Preserve outdoor recreation opportunities, including hunting and fishing, on publicly owned land</p> <p>Promote conservation of water resources</p> <p>Promote brownfield remediation and redevelopment</p>	
Goals Specific to Preservation Area	Goals Specific to Planning Area
Preserve extensive and, to the maximum extent possible, contiguous areas of land in its natural state, thereby ensuring the continuation of Highlands environment which contains the unique and significant natural, scenic, and other resources representative of the Highlands Region	Preserve to the maximum extent possible any environmentally sensitive lands and other lands needed for recreation and conservation purposes.
Protect the natural, scenic, and other resources of the Highlands Region, including, but not limited to contiguous forests, wetlands, vegetated stream corridors, steep slopes, and critical habitat for fauna and flora	Protect and maintain the essential character of the Highlands environment
Promote compatible agricultural, horticultural, recreational, and cultural, uses and opportunities within the framework of protecting the Highlands environment	Promote the continuation and expansion of agricultural, horticultural, recreational, and cultural uses and opportunities
Prohibit or limit to the maximum extent possible construction or development which is incompatible with preservation of this unique area	Encourage, consistent with the State Development and Redevelopment Plan and smart growth strategies and principles, appropriate patterns of compatible residential, commercial, and industrial development, redevelopment, and economic growth, in or adjacent to areas already utilized for such purposes, and discourage piecemeal, scattered, and inappropriate development, in order to accommodate local and regional growth and economic development in an orderly way while protecting the Highlands environment from the individual and cumulative adverse impacts thereof
	Promote a sound, balanced transportation system that is consistent with smart growth strategies and principles and which preserves mobility in the Highlands Region

The Preservation Area

The planned future of the Highlands Region in the Preservation Area, outlined through the Preservation Area goals in Table 1, is for all practical purposes the Highlands Region of today, a remarkable blend of natural resources and built environment which is a critical potable water source for the State of New Jersey.

Future Land Use

The Preservation Area

In keeping with the goals for the Preservation Area mandated by the Act, the Highlands Regional Master Plan provides that new land uses in the Preservation Area be limited to:

- Land uses exempt from the provisions of the Highlands Act;
- Appropriate agricultural uses and activities;
- Very limited rural residential development or compact, existing center-based redevelopment; and
- Brownfield remediation and redevelopment.

In addition, the Highlands Regional Master Plan recognizes that regional and community character are more than what is developed, they are also defined by how development is undertaken. A single family dwelling on a ten acre, forested lot along a local tree-lined road in a neighborhood surrounded by steep slopes, is different in terms of community character and regional character from a single family house on a one acre lot separated from the road only by a manicured lawn. Although both types of development exist in Highlands Region landscapes, the former predominates and defines community character. Eventually, new construction in the form of smaller-lot development that is not sensitive to surrounding land types diminishes the character of the former, resulting in a loss of cumulative community character. This ultimately diminishes the significance of the landscape at a regional level. Consequently, the Highlands Regional Master Plan provides programs to ensure that new growth and development is compatible with the regional and local community character of the Region.

The Highlands Regional Master Plan also includes incentive programs intended to encourage

exempted development to voluntarily comply with the goals, policies, objectives, and programs of the Plan where ever possible.

The Highlands Regional Master Plan recognizes that the integrity of natural resources, especially water quality and quantity is critically important to the Region. The Highlands Regional Master Plan provides protection for these resources and provides guidance for how growth and development must be carefully controlled to ensure that they do not adversely affect the integrity of the Region’s resources.

The Planning Area

In addition to Region-wide goals, the Highlands Act sets forth goals specific to the Planning Area (Table 1). While mandating the protection, restoration and enhancement of the quality and quantity of surface and ground waters, the Act requires that the Highlands Regional Master Plan provide for new growth opportunities in the Planning Area that:

- Promote the continuation and expansion of agricultural, horticultural, recreational, and cultural uses;
- Promote brownfield remediation and redevelopment;
- Encourage, consistent with the State Development and Redevelopment Plan and smart growth strategies appropriate patterns of compatible residential, commercial and industrial development, redevelopment and economic growth while discouraging sprawl; and
- Promote a sound and balanced transportation system consistent with smart growth strategies.

The Highlands Regional Master Plan contemplates that development and redevelopment within the Planning Area incorporate development rights transferred from lands in the Preservation Area which in order to mitigate any disproportionate burden imposed on Preservation Area landowners. The Highlands Regional Master Plan provides for a variety of incentive programs to encourage municipalities within the Planning Area to implement the goals, policies and objectives of the Plan and to conform to the Highlands Regional Master Plan.

**DRAFT – FOR CONSIDERATION AT THE SEPTEMBER 20, 2007
MEETING OF THE HIGHLANDS COUNCIL**

The Highlands Regional Master Plan encourages municipalities in the Planning Area to adopt and implement programs contained in the Plan with regard to protection and enhancement of the natural environment, and restrictions on the number and location of septic tanks in order to ensure that new growth and development is consistent with the goals, policies and objectives of the Highlands Regional Master Plan and the community character of constituent municipalities.

The Highlands Regional Master Plan recognizes that community character within the Planning Area is an important part of the regional character of the Highlands Region. To this end, the Highlands Regional Master Plan includes detailed programs to promote development and redevelopment within the Planning Area which is compatible with that character.

Region-wide Elements

Although the Highlands Act divides the Highlands Region into two distinct sub-areas, the Preservation Area and the Planning Area, the reality is that the elements of the natural and built environment do not stop at jurisdictional boundaries, and do affect the entire Region. The Region-wide goals in Table 1 illustrate these elements while the goals specific to the Preservation Area and Planning Area reflect similarities in concept and intent.

Protection of Natural Resources

The Highlands Regional Master Plan accounts for the Region-wide goal of protecting water resources by providing guidance and programs for the protection, restoration, and enhancement of surface and ground water quality. The Plan also accounts for the goals of protecting that Region's natural resources through guidance for the protection of natural and scenic resources, including forests, wetlands, riparian areas, steep slopes, and critical habitat.

Agriculture

The Highlands Act and the Highlands Regional Master Plan recognize that agriculture is an important element of the economy, history, and essential character of the Region which should be protected and enhanced. The Plan outlines programs to promote compatible agriculture in the Preservation Area and

to promote and expand it in the Planning Area. Programs include opportunity to capitalize on agriculture as a component of new economic initiatives with regard to eco- and agricultural tourism. In addition, the Plan gives priority to agriculture with regard to available water capacity.

Historic, Cultural and Scenic Resources

The Highlands Regional Master Plan recognizes that historic, cultural, and scenic resources are important elements of the essential character of the Region. Protection and enhancement of these resources is critical to the long term integrity of the Region and the Plan provides multiple programs for the protection and enhancement of these resources.

Transportation

The Highlands Regional Master Plan recognizes that mobility is a key element of the character of the Region and includes a goal in the Planning Area for the promotion of sound, balanced transportation system that is consistent with smart growth strategies and principles. Limited access has to a large extent defined the character and function of the Region. The Highlands Regional Master Plan provides that future transportation, to the maximum extent practicable, should be directed at: 1) advocating for transportation investments that limit inter-regional transportation improvements to forms of transportation other than single occupant automobiles, and 2) improving intra-regional movement of people and goods in ways that maintain community character

The Highlands Regional Master Plan recognizes that transportation is a two-edged sword. Efficient mobility is critical to the social, cultural and economic success of every community. At the same time, new roads which expand an area's capacity for inter-regional movements, can result in unintended consequences, including road widening which adversely affects the character of communities of place or opens up previously inaccessible rural lands for development which impairs the function and character of the landscape. The Highlands Regional Master Plan provides for future mobility improvements which enhance intra-regional movement of people and goods and discourages increases in inter-regional road capacity.

Land Owner Equity

The Highlands Act anticipates that the economic impacts of the Highlands Act and the Highlands Regional Master Plan on the Preservation Area will be mitigated in a multi-faceted approach including a program of transferable development rights (TDRs) fee simple land preservation, and commitment to a dedicated preservation funding program.

The TDR concept involves the transfer of development rights from lands where new growth and development is severely constrained to areas where additional development will not have an adverse impact on the important natural resources of the Highlands Region. TDRs are a recognized program which have been used to mitigate the windfalls and wipeouts of resource planning and management programs in New Jersey and around the country. TDRs are not a panacea, but that they are a practical and useful way of mitigating the impact of new regulatory impositions on land owners.

The Highlands Regional Master Plan recognizes the importance of the resources of the Highlands Region to region itself, northern New Jersey and to the entire state, as well as to a nationally-recognized multi-state region. While the contemplated TDR program will mitigate some of the economic impacts of new programs, public acquisition of large contiguous tracts, particularly forested lands and critical habitat, is appropriate, desirable and equitable. The Plan encourages all agencies of the State of New Jersey, including the Legislature, to invest in the future of the State by funding land acquisition in the Highlands Region.

The Highlands Regional Master Plan recognizes the implementation challenges which attend the creation and operation of a TDR program and contemplates that additional action will be required if TDRs are to provide significant mitigation to Preservation Area land owners. Those actions include the creation of a development rights bank to make a market in TDRs. In addition, the Highlands Regional Master Plan recognizes that transferred development rights will best be accommodated if Highlands Region communities gain a dedicated source of funding to ensure adequate infrastructure to serve new growth and development using TDRs.

The Plan proposes that water users who do not share in the burdens of the implementation of the

Highlands Regional Master Plan should pay a fair share of the cost of protecting the potable water supply, including funding for land owner equity programs and community redevelopment.

Fiscal and Economic Vitality of Highlands Communities

Ideally, the Highlands Regional Master Plan will create an environment of fiscal and economic sustainability for local communities, where the cost of municipal services is comfortably aligned with available tax revenues. The Plan, however, recognizes there is no “free lunch” and that the extraordinary quality of life of the Region will require substantial revenues to support the level of services which are commensurate with character and quality of the Highlands communities.

Consequently, the impositions of the Highlands Regional Master Plan may affect the fiscal and economic integrity of Highlands Region communities in a number of ways and the Plan contemplates that those impacts should be mitigated to the maximum extent possible. Limitations on low density rural residential development may, enhance or mitigate a local government’s fiscal condition because of the high cost of providing municipal services to a dispersed landscape. On the other hand, limitations on future development are likely to constrain economic development and limit a local government’s ability to increase its tax base.

The Regional Master Plan contemplates a shift in perspective with regard to land and land use. The story of the modern settlement of America has been, to a large degree, a story of consumption where land was treated as a commodity “to be used and abused” and then to be discarded. For many years, the Highlands Region, as a consequence of history and geography has avoided that tendency however, recent developments suggested a trend which ignores the historical patterns of growth necessity of sustainable planning to meet the obligations to future generations.

The Highlands Regional Master Plan promotes a perspective that the land and waters of the Highlands are precious resources to be wisely and sustainably used and re-used. The Plan recognizes that implementation of the Highlands Act will affect the fiscal and economic well-being of local governments within the Region. The Plan establishes programs which encourage appropriate economic development

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activity within the Region as an important means of avoiding potential fiscal and economic impacts. The Plan includes a number of programs, some of which can be implemented without additional authority or funding and some which require additional resources in order to be realized. Implementation of these programs offer significant incentives for local governments within the Planning Area to conform with the Plan. The Plan also recognizes that implementation of the Highlands Act and the Highlands Regional Master Plan will benefit water users who do not reside in the Region and that it would be appropriate and beneficial to Highlands communities if those beneficiaries of implementation of the Highlands Regional Master Plan were to pay a fair share of the cost implementation, through user fees or other programs identified in the Plan.

Balancing Protection of Natural Resources and Built Environments

In order to protect natural resources and the built environment, it is necessary to address conditions and circumstances which are currently problematic, like watersheds where existing water use exceeds sustainable supply, septic systems have failed, and new growth and development has occurred in ways not consistent with the protection of environmentally sensitive areas or local community character. In addition, there are existing land uses which impose adverse impacts on a natural resources. The Highlands Regional Master Plan provides for incentive programs in the Preservation Area to encourage property owners and local communities to support remediation of existing problematic conditions. The Plan contemplates that in many cases, problematic circumstances or conditions in areas which have been previously developed could be addressed through redevelopment incentives and the use of TDRs.

Another important focus of the Highlands Regional Master Plan is the implementation of water conservation measures to address existing water availability constraints in order to allow additional development and redevelopment in watersheds with existing deficits and constraints. The Plan anticipates that water conservation measures will be a part of incentive programs for the use of TDRs or redevelopment in watersheds which have existing deficits or constraints.